*8. [*Transferred to the 8th December* 1993]

Drug Companies adopting improper methods in Production

9. SHRI ANANTRAM JAISWAL:
SHRIMATI SATYA BAHIN:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that a number of companies are getting their branded products produced through small scale units to escape from price control;

(b) if so, what are the details of the instances that have come to the notice of Government;

(c) what action has been taken in each of the cases against the concerned companies; and

(d) what steps have been taken to withdraw blanket exemption to the small scale sector from price control

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c) Usage of a brand name by any company is governed by the provisions of the Trade and Merchantise Act, 1958 and not by the DPCO, 1987.

(d) Policy parameters as in drug policy, 1986 which inter-alia includes exemption to the Small Scale Sector from price control form a part of the review of the Drug Policy, 1986 in regard to which a Background Note was laid in the Table of the House on 12-8-1992 and discussed on the 18th, 19th and 23rd August, 1993.

Hearings Granted to Drug Companies in the Matter of DPEA

10. SHRI ANANT RAM JAISWAL:
SHRIMATI SATYA BAHIN:

Will the PRIME MINISTER be pleased to state:

(a) what are the details of the hearing granted to the drug companies in the matter of DPEA after the present Government took over;

(b) what is the final outcome and the decision taken in each case where hearings was given;

(c) whether it is a fact that instead of finalising liabilities coersion was brought about to extract benefits by the bureaucrats from the companies;

(d) whether complaints of obtaining agencies and distributorships from the drug companies by certain bureaucrats in the name of their relatives have been received by Government; and

(e) whether Government would investigate into the whole matter and take action against Officer with tained action?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) Personal hearings have been granted in respect of 24 companies either as per the directions of various Courts or at the requests from the companies concerned. After hearings, final orders have been issued in 6 cases.

(c) No Sir.

(d) No such instance of complaint has come to the notice of the Govt.

(e) Does not arise.

Bulk Drugs Subjected to Reduction of Custom Duty

11. SHRIMATI SATYA BAHIN: Will the PRIME MINISTER be pleased to state:

(a) what are the names of bulk drugs, formulations and intermediates on which custom duty was reduced during the year 1993-94;

(b) what was the earlier duty and revised duty on each of the bulk drugs and intermediates;

(c) what are the names of the formulations and bulk drugs on which benefits of duty reduction was passed on the consumers ;

(d) what are the bulk drugs and formulations where the benefit of reduction has not been passed on to the consumers and has been allowed to be appropriated by the producers ; and

(e) what are the names of bulk drugs whose production has been shifted to basic stages after reduction of customs duty ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO) : (a) and (b) The details asked for regarding reduction in custom duty during the year 1993-94 in respect of bulk drugs, formulations and intermediates are given in the different notifications issued by the Ministry of Finance from time to time, the copies of which are available in the Parliament Library.

(c) to (e) In the case of price controlled drugs and formulations the impact of reduction in custom duty is taken into account while fixing/revising prices of the bulk drugs/formulations. Regarding non-scheduled drugs, various Associations of industry are asked to make corresponding reduction in the prices. Customs duty concession on intermediates & bulk drugs is to encourage the manufacture of bulk drugs from more basic stages as also to ensure the availability of medicines in abundent quantity at reasonable prices to the consumers.

Review of Drug Policy

12. SHRI H. HANUMANTHAPPA :
DR. NARREDDY THULASI REDDY :

Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 4166 given in Rajya Sabha on 26th August, 1993 and state ;

(a) whether it is a fact that review of the Drug Policy also involves review of post-manufacturing expenses including advertisement ;

(b) whether Government have carried out any study of post-manufacturing expenses as one of the demands is for increase in mark up ;

(c) the reasons for which the study of promotional expenses and advertisement expenses has not been commissioned and whether Government interest to do so revising the policy ; and

(d) the reasons for which Government are considering allowing blanket increase in prices ?

THE MINISTERS OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (d) The points being considered in the review of Drug Policy 1986 have already been explained in the Background note laid on the Table of the House on 12-8-92 and which was taken up for discussion in the House in August, 1993. Final decisions in this regard are still to be taken. The apprehensions expressed by the members that should not be any spurt in the prices of medicines are being given due consideration in the finalisation of the policy.

Effect on Drug Prices due to Concept of Formulation Prices

13. SHRI H. HANUMANTHAPPA :
DR. NARREDDY THULASI REDDY :

Will the PRIME MINISTER be pleased to state to refer to the answer to Unstarred Question 4162 given in Rajya Sabha on the 26th August, 1993 and state :

(a) whether it is a fact that prices of drugs have steeply risen during the last three years ;

(b) what were the Prices in 1987 and what are the Prices now based on wholesale Price index ;